

**FIRST AMENDMENT TO CONTRACT DATED OCTOBER 18, 2006 BY
AND BETWEEN CORRECTIONS CORPORATION OF AMERICA AND
THE CALIFORNIA DEPARTMENT OF CORRECTIONS AND
REHABILITATION**

This First Amendment is entered into this 20th day of December 2006, by and between, the State of California Department of Corrections and Rehabilitation (hereinafter "STATE" or "CDCR") and The Corrections Corporation of America, 10 Burton Hills Blvd., Nashville, Tennessee, 37215 (hereinafter "CONTRACTOR" or "CCA") and in recognition of the following:

WHEREAS, the parties hereto have previously entered into a contract, dated October 18, 2006 wherein CCA has agreed to house, guard and provide all necessary care for certain offenders currently under the care and custody of CDCR, at CCA facilities outside California; and,

WHEREAS, the process of identifying such eligible offenders for participation in the transfers to CCA facilities has been slowed due to factors and events beyond the control of CDCR or CCA; and,

WHEREAS, in addition, certain matters not contemplated by the parties at the time of first contracting have arisen, and that the parties wish to address those matters and express their agreement regarding same,

NOW, THEREFORE, the parties do enter into and make this FIRST AMENDMENT to their prior contract and agree as follows:

1. Attachment A, and all references thereto in the original contract are hereby deleted as they relate to the offender phase in schedule. Said offender phase in schedule portion of Attachment A contemplated a schedule of transfer dates for CDCR offenders to CCA facilities (initial phase in schedule), and the parties have abandoned that schedule, instead agreeing to work cooperatively on a flexible time frame for transfers as suitable inmates become available in sufficient numbers. There is no replacement Attachment A as it relates to the phase in schedule. All other items provided in Attachment A shall remain in place unless modified or deleted by later amendment.
2. The definition of Minimum Normalized Occupancy is hereby amended to mean 90% of the capacity allocated to CDCR Offenders at the Facilities, which for this Agreement currently equates to:

Florence Detention Center (560) - 504
North Fork Correctional Facility (240) - 216
Diamondback (Currently 0 - but may be adjusted as capacity allows)
Tallahatchie (128) - 115
West Tennessee Detention Facility (80) - 72

Available capacities at the above facilities may be increased, or decreased, dependent upon facility availability and CDCR demand. In the event capacity is adjusted by mutual agreement it shall be in a writing signed by both parties and affixed as an Amendment hereto.

3. So long as CDCR's placement program requires voluntary consent by offenders, the provisions in Section 3 of the contract requiring CDCR to reach normalized occupancy within 120 days of initial occupancy shall be waived. Instead, CDCR shall pay a per diem per offender housed at a CCA facility, based on the number of offenders actually housed at that facility. Once CDCR has reached normalized occupancy of a CCA facility, CDCR shall be required to make a minimum payment based on the greater of a) actual occupancy, or b) the normalized occupancy number, times the per diem rate established in the contract. Said payment provision shall apply for the balance of the term of the contract.

Once CDCR commences transfer of offenders who are not being transferred voluntarily, the original contract provisions regarding normalized occupancy rates commencing 120 days of the initial transfer as contained in Section 3 shall be of full force and effect.

4. The contracting parties acknowledge that the U.S. District Court for the Eastern District of California has jurisdiction over mental health services provided to seriously mentally disordered inmates of the California Department of Corrections and Rehabilitation in the pending case of Coleman v. Schwarzenegger, No. CIV S-90-0520 LKK JFM P. The Coleman court has appointed a Special Master to oversee the provision of constitutionally adequate mental health care for all plaintiff class inmates. Former class members may be transferred pursuant to the Agreement and some transferred inmates may become members of the plaintiff class during their stay in the Contractor's facility(ies). The contracting parties acknowledge that the Special Master or his designee(s) may make inquiries concerning policies and procedures for the care of plaintiff class members and shall have the right, if a dispute about the adequacy of provided mental health services arises, to visit and assess the mental health services provided by the Contractor to plaintiff class members. Contractor shall cooperate with such visits, which shall not interfere unduly with Agreement work.
5. CCA agrees that by signing this FIRST AMENDMENT, it is assuring CDCR that it complies with the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. Section 12101 et seq, as applicable, which prohibits discrimination on the basis of disability, and with applicable regulations and guidelines issued pursuant to the ADA.
6. This agreement may be executed in the manner as set forth in Section 9.26 of the Agreement to which this amendment applies.

IN WITNESS WHEREOF, intending to be legally bound, the parties have caused their authorized representatives to execute this Agreement to be effective on the date first written above.

CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION

Scott Kernan
Director, Division of Adult Institutions (A)
1515 S Street, Suite 351-N
Sacramento, CA 95814




Scott Kernan

1-19-07
Date

CONTRACTOR

Lucibeth Mayberry
Vice President Business Development
10 Burton Hills Blvd.
Nashville, TN 37215



Lucibeth Mayberry

1.23.07
Date